

# SENATE BILL 250

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CF HB 84

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By: **Senator Jones–Rodwell (Chair, Joint Committee on Pensions)**

Introduced and read first time: January 25, 2012

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 22, 2012

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Retirement and Pension System – Reemployment of Retirees –**  
3 **Exemptions**

4 FOR the purpose of providing that certain retirees of the Correctional Officers’  
5 Retirement System are subject to a certain offset of a retirement allowance  
6 under certain circumstances; clarifying the circumstances under which certain  
7 retirees of the Correctional Officers’ Retirement System are subject to a certain  
8 offset of a retirement allowance; altering the number of years required after  
9 retirement for certain retirees of the State Retirement and Pension System to  
10 be exempt from a certain earnings offset of their retirement allowance when  
11 reemployed by certain employers; providing for the effective date of certain  
12 provisions of this Act; providing for the termination of certain provisions of this  
13 Act; and generally relating to the reemployment of retirees in the State  
14 Retirement and Pension System.

15 BY repealing and reenacting, with amendments,  
16 Article – State Personnel and Pensions  
17 Section 24–405(b)(3)(i) and 25–403(b)(1) and (3)(i)  
18 Annotated Code of Maryland  
19 (2009 Replacement Volume and 2011 Supplement)

20 BY repealing and reenacting, without amendments,  
21 Article – State Personnel and Pensions  
22 Section 24–405(b)(1)  
23 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2009 Replacement Volume and 2011 Supplement)

2 BY repealing and reenacting, with amendments,  
 3 Article – State Personnel and Pensions  
 4 Section 24–405(b)(1)(i)  
 5 Annotated Code of Maryland  
 6 (2009 Replacement Volume and 2011 Supplement)  
 7 (As enacted by Chapter 644 of the Acts of the General Assembly of 2009)

8 BY repealing and reenacting, without amendments,  
 9 Article – State Personnel and Pensions  
 10 Section 24–405(b)(2)(i)  
 11 Annotated Code of Maryland  
 12 (2009 Replacement Volume and 2011 Supplement)  
 13 (As enacted by Chapter 644 of the Acts of the General Assembly of 2009)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article – State Personnel and Pensions**

17 25–403.

18 (b) (1) The Board of Trustees shall reduce the allowance of an individual  
 19 who accepts employment as provided under subsection (a) of this section if:

20 **(I) THE INDIVIDUAL’S CURRENT EMPLOYER IS A**  
 21 **PARTICIPATING EMPLOYER OTHER THAN THE STATE AND IS THE SAME**  
 22 **PARTICIPATING EMPLOYER THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF**  
 23 **THE INDIVIDUAL’S LAST SEPARATION FROM EMPLOYMENT WITH A**  
 24 **PARTICIPATING EMPLOYER BEFORE THE INDIVIDUAL COMMENCED RECEIVING**  
 25 **A SERVICE RETIREMENT ALLOWANCE OR VESTED ALLOWANCE; OR**

26 **(II)** the individual’s current employer is any unit of State  
 27 government; and

28 ~~**(III)**~~ the individual’s employer at the time of the individual’s last  
 29 separation from employment with the State before the individual commenced  
 30 receiving a service retirement allowance or vested allowance was also a unit of State  
 31 government.

32 (3) The reduction under this subsection does not apply to:

33 (i) an individual who has been retired for [9] 5 years, beginning  
 34 on January 1, after the date the individual retires;

1 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
2 read as follows:

3 **Article – State Personnel and Pensions**

4 24–405.

5 (b) (1) The Board of Trustees shall reduce the allowance of an individual  
6 who accepts employment as provided under subsection (a) of this section if:

7 (i) the individual’s current employer is any unit of State  
8 government; and

9 (ii) the individual’s employer at the time of the individual’s last  
10 separation from employment with the State before the individual commenced  
11 receiving a service retirement allowance or vested allowance was also a unit of State  
12 government.

13 (3) The reduction under paragraph (1) of this subsection does not  
14 apply to:

15 (i) an individual who has been retired for [9] 5 years, beginning  
16 on January 1, after the date the individual retires;

17 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
18 read as follows:

19 **Article – State Personnel and Pensions**

20 24–405.

21 (b) (1) This subsection does not apply to:

22 (i) an individual who has been retired for [9] 5 years, beginning  
23 on January 1, after the date the individual retires; or

24 (2) (i) Subject to subparagraph (ii) of this paragraph, the Board of  
25 Trustees shall reduce an individual’s allowance by the amount that the sum of the  
26 individual’s initial annual basic allowance and the individual’s annual compensation  
27 exceeds the average final compensation used to compute the basic allowance.

28 SECTION 4. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall  
29 take effect on the taking effect of the termination provisions specified in Chapter 644,  
30 § 3 of the Acts of the General Assembly of 2009. If that termination provision takes  
31 effect, Section 2 of this Act shall be abrogated and of no further force and effect. This  
32 Act may not be interpreted to have any effect on that termination provision.

1           SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the provisions  
2 of Section 4 of this Act, this Act shall take effect July 1, 2012.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.